



**INDUSTRY
ADVISORY**

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INFORMATION TO ASSIST OUR LICENSEES

Service Contract Sellers

The Bureau of Electronic and Appliance Repair (BEAR) regulates the sales and administration of service contracts sold to California consumers for the following products:

- Furniture
- Lawn & Garden Equipment
- Home Health Care Products
- Phone Equipment
- Fitness Equipment
- Small Kitchen Appliances & Tools
- Power Tools
- Jewelry
- Major Appliances
- Entertainment & Home Office Electronics

Retailers that offer these service contracts (also referred to as protection plans, maintenance agreements, extended warranties, etc.) for sale are required to hold a valid BEAR registration as a Service Contract Seller. Retailers with multiple locations are required to hold a registration for each location and companies offering service contracts via the internet are also required to have a registration for contracts sold to residents of California. The fee for registration is \$75 per location and renews annually.

**Service Contract Sellers
require registration with
the Bureau of Electronic
and Appliance Repair.**

A Service Contract Seller is required to have financial backing for all service contracts sold. Many Service Contract Sellers sell service contracts that are administered by another business that handles scheduling service, claims, and arranges for insurance to cover the contracts sold by the retailer. The Service Contract Administrator must also be registered by BEAR. Retailers who administer their own contracts are still considered Service Contract Sellers but must provide proof of financial backing.

Filing requirements for Service Contract Sellers are:

Contracts with Administrator

- Application/Fee
- Copy of contract being sold

Self-Administered Contracts

- Application/Fee
- Copy of contract being sold
- Proof of financial backing (see application)